

Campaign Finance FAQ

When do I need to file paperwork with the Board of Elections office to organize my political committee?

A candidate committee is required to register within ten days of taking the first among certain activities that are deemed to have begun the committee's organization. The first of the following activities by the candidate starts the ten days:

1. Receiving money or an item of any value in support of the campaign; or
2. Spending money in support of the campaign; or
3. Filing a Notice of Candidacy or being certified as a political party nominee.

Where do I find the rules and regulations regarding campaign finance?

When you file the committee paperwork with the Board of Elections, you will receive an abbreviated version of the Campaign Finance Manual. The full manual can be found on the State Board of Elections website, www.ncsbe.gov, under Campaign Finance, then General Information.

Can I keep the money I raise for the campaign in my personal bank account?

No. It is required that campaign funds be maintained in a bank account that is used exclusively by the political committee. Many banks will require that you obtain an EIN number from the IRS to open the account. EIN numbers can be obtained by going to www.irs.gov or calling 800-829-4933.

Who can I appoint as my treasurer and what is required of that person?

The candidate may appoint himself or any individual, with exception of the candidate's spouse, to serve as treasurer for the committee. Treasurers are responsible for maintaining all financial records of the committee, timely filing of reports, and ensuring the committee is in compliance with the campaign finance laws. The treasurer must be a resident of North Carolina.

Will my treasurer be trained?

Yes. North Carolina residents appointed as treasurers of political committees are required to receive training within three months of appointment and once every four years thereafter. The State Board of Elections provides opportunities to take the mandatory compliance training online, in person at designated times in Raleigh, or at hosted regional trainings held at various locations during the year.

I do not plan to receive any contributions and want to fund my campaign entirely with my own money. Do I still need to open a committee?

Yes. All candidates are required to open a committee. When deciding whether to file over or under the \$1,000 threshold, keep in mind that anything you purchase with personal funds for the campaign will count toward the \$1,000. Purchases you make with personal funds are considered in-kind contributions from you as an individual to your campaign.

If I file a Certification of Threshold and remain under the \$1,000 limit, do I need to keep track of the money I receive and spend?

Yes. All committees should keep accurate records of contributions and expenditures regardless of whether the committee filed over or under the \$1,000 threshold. In the event that the threshold is exceeded, full disclosure of activity will be required.

Am I required to file my reports electronically?

NCGS 163-278.9(i)(4) requires all committees to file electronically if it has a cumulative total of more than \$10,000 in contributions, loans, or expenditures during an election cycle. This requirement applies to all activity that affects elections in 2017 or later.

Free e-filing software is available for download from the State Board of Elections' website (www.ncsbe.gov/Campaign-Finance/reporting-software).

The Brunswick County Board of Elections encourages all committees that exceed the \$1,000 threshold to use the reporting software. It retains contributor information (name, address, occupation), calculates totals, and runs preliminary audits.

Candidates for statewide office, and other committees making contributions, expenditures, or independent expenditures that affect contests for statewide office, still have a \$5,000 threshold for e-filing.

I am planning a fundraiser and a local restaurant has offered to donate food. Is this allowed?

No. You cannot receive any contribution (monetary or in-kind) from a business. This includes donating items for fundraisers.

I am planning a fundraiser and will sell plates of food. Do I need to keep track of how much each person buys?

Yes. Anonymous contributions are prohibited. For example, if you hold a fundraiser and sell hot dog plates for \$5 and drinks for \$1, you must have the name, address, and phone number of each person who buys a plate or a drink and keep track of how much money they give.

A friend of mine came up to me and put a \$100 bill in my hand telling me to "put it toward the campaign". Is this allowed?

No. Any contribution in excess of \$50 must be made with a verifiable form of payment (i.e. check or money order).

I am going to Costco to buy food for a fundraiser. Can I make the purchase using cash?

That depends. If you are using campaign funds and the purchase is over \$50, it must be made with a verifiable form of payment (i.e. check, money order, campaign debit/credit card). If you are using your personal money and will donate the food to the committee as an in-kind contribution, the purchase can be made with any form of payment.

How should I calculate the cost of mileage that my candidate is using for his campaign?

The State Board of elections does not prescribe a specific formula, but, as with all calculations, the treasurer must employ a consistent method. A commonly used formula is provided by the IRS

(<https://www.irs.gov/tax-professionals/standard-mileage-rates>).